

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Crime Investigation Department - Withdrawal of prosecution against Sri G.Chandraiah, (A-13), Ex-Director, Vasavi Cooperative Urban Bank Limited in Cr.No.8/03 u/s 120-B, 420, 406, 409, 477-A IPC and Section 5 of A.P. Protection of Depositors Financial Establishments Act, 1999 of CID P.S pending trial before the Hon'ble 1st Metropolitan Sessions Judge Court, Hyderabad, vide CC No.4/2003 – Orders – Issued.

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LAW (LA&J-HOME-COURTS.B) DEPARTMENT

G.O.Rt.No. 14

Dated:02-01-2010

Read the following:-

1. Representation of Sri G.Chandraiah, Ex-Director of Vasavi Coop. Urban Bank Ltd., Hyd., dated:01.02.2009.
2. From the Agri. & Coop (Coop.III) Deptt. Memo.No.2661/Coop.III(1)/2009-1, dated:24.02.2009 and 8.6.2009.
3. The M.D., Vasavi Coop. Urban Bank Ltd., Ref.No.VCUB/Rec/2009, dated:26.02.2009.
4. The CC & RCS, Hyd., Lr.No. 26802/2008-UT-3, dated:27.02.2009, 17.06.2009 and 20.06.2009.
5. Govt.Memo.No.16897/Courts.B2/2009-2, dated:26.06.2009 and 5.10.2009.
6. From the DGP, AP, Hyd., Lr.No. 3525/Compts-1/2009, dated dated:05-10-2009.

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ORDER:

Sri G.Chandraiah, Ex-Director, Vasavi Cooperative Urban Bank Ltd., Hyderabad in his representation first read above, has represented that on the complaint lodged by Vasavi Cooperative Urban Bank Ltd. against him and others and that his name was included in the charge sheet as accused No.13. that there is no specific allegation against him in the entire charge sheet but for being Ex-Director in sanctioning the loans to various people, that the charges leveled against ex-directors was a biased action under the influence of the then Telugu Desam Party Government and a leading Telugu News Paper without proper investigation. Due to the prudent norms followed by the Board of Directors, the bank could recover 85% of the loans which is remarkable achievement in the Cooperative Banks history, that he has not availed any personal loan as a Director of the Vasavi Bank and finally requested to withdraw the case against him in C.C.No.4/2003 filed by CB CID before the Metropolitan Sessions Court, Nampally.

2) The Commissioner for Cooperation and Registrar of Cooperative Societies, Hyderabad who has been requested to furnish his report on the representation, has in the letters fourth read above, based on the report of the Managing Director, Vasavi Coop. Urban Bank Ltd., and for the reasons stated therein has requested the Government to take a view on the request of the individual for withdrawal of prosecution, since the defaults in recovery of certain loans guaranteed by him may not be strictly construed as a Criminal offence, though his civil liability continues.

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3) In the letter 6th read above, the Director General of Police, A.P., Hyderabad based on the report of the Addl. Director General of Police, Crime Investigation Department and the opinion rendered by the Spl. Public Prosecutor, for the reasons mentioned therein has not recommended for withdrawal of prosecution against the accused Sri G.Chandraiah (A-13), Ex-Director, Vasavi Coop. Urban Bank Ltd., Hyderabad.

4) Government after careful examination of the matter, have decided to withdraw the case against Sri G.Chandraiah (A-13), Ex-Director, Vasavi Coop. Urban Bank Ltd., Hyderabad in Cr. No. 8/03 under sections 120-B, 420, 406, 409, 477-A Indian Penal Code, 1860 and section 5 of the A.P. Protection of Depositors Financial Establishments Act, 1999 of Crime Investigation Department Police Station, pending before the Hon'ble 1st Metropolitan Sessions Judge Court, Hyderabad, vide CC No.4/2003 on the ground that he was only a Director of the Board of Directors of the Bank along with other Directors who sanctioned loans and that he is not a co-guarantor for any loans advanced to loanees, and he did not mortgage any property in favour of the Bank, to facilitate loanees to avail loan or he did not stand as guarantor / co-obligant for any loan advanced by the Bank, and that his case also stands on the same footing, to that of the accused Nos.A7, A10, A14 and A81 in CC No.4/03, Ex-Directors of the same Bank against whom case was withdrawn earlier.

5) The Collector & District Magistrate, Hyderabad is, therefore, directed to see that the Asst. Public Prosecutor concerned apply his mind and take appropriate steps to file a petition under section 321 of the Code of Criminal Procedure, 1973 (Central Act 2 of 1974) for withdrawal of prosecution against the accused Sri G.Chandraiah (A-13), Ex-Director, Vasavi Coop. Urban Bank Ltd., Hyderabad in Cr. No. 8/03 under sections 120-B, 420, 406, 409, 477-A Indian Penal Code, 1860 (Central Act 45 of 1860) and section 5 of the A.P. Protection of Depositors Financial Establishments Act, 1999 of Crime Investigation Department Police Station, Hyderabad pending trial before the Hon'ble 1st Metropolitan Sessions Judge Court, Hyderabad, vide CC No.4/2003 under intimation to Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.RAMACHANDRA REDDY,
SECRETARY TO GOVERNMENT
LEGISLATIVE AFFAIRS & JUSTICE

To

The Collector & District Magistrate, Hyderabad.
The Director General of Police, Andhra Pradesh, Hyderabad.
The Addl. Director General of Police (CID), Hyderabad.
The Asst. Public Prosecutor concerned (thro' Collector concerned)

Copy to

The Law (E) Department.
The P.S. to Secretary to Government (LA&J).
SC / SF

// forwarded :: by order //

Section Officer